

What is the Judges Benefit Multiplier?

Substitute House Bill 2691 was passed by the 2006 Legislature to provide a new benefit for justices and judges.

- Justices and judges serving prior to January 1, 2007, have the option of ceasing participation in the Judicial Retirement Account (JRA), and prospectively accruing service credit at a higher benefit multiplier in Public Employees' Retirement System (PERS)*.
- Justices and judges who choose to become members of PERS after January 1, 2007 and have not previously established membership in PERS Plan 1, 2, or 3 will be mandated into PERS Plan 2 and will accrue service credit at the higher benefit multiplier.

What is a benefit multiplier?

The percent used to multiply against the number of service credit years and your average final compensation to determine your benefit amount.

Who is eligible to participate in the new Judges' higher benefit multiplier?

- Supreme Court Justices
- Court of Appeals Judges
- Superior Court Judges
- District Court Judges
- Municipal Court Judges

Must all Justices and Judges participate?

- Justices and judges who are members of PERS will have the option to participate prospectively in the higher benefit multiplier.
- Justices and judges who choose to enter membership in the PERS beginning January 1, 2007 will be mandated into participation.

When will the new higher benefit multiplier be available?

- Justices and judges who have the option to participate must make an irrevocable election between January 1, 2007 and December 31, 2007 to begin to accrue service credit prospectively at the higher benefit multiplier.
- Eligible justices and judges who chose to become members after January 1, 2007 will automatically begin to accrue service credit at the higher benefit multiplier.

Am I eligible for the higher benefit multiplier if I'm a Supreme Court Justice, Court of Appeals Judge and Superior Court Judge and not currently a member of PERS?

Yes, if you elect to become a member of PERS and participate in JRA before January 1, 2007, you will have the option to begin participation in the higher benefit multiplier.

- If you elect to become a member of PERS after December 31, 2006 you will not be able to become a JRA participant but will automatically begin to accrue service credit at the higher benefit multiplier.

If I choose to participate in the higher benefit multiplier, what will happen to my JRA?

If you choose to participate you will no longer contribute to your JRA account. JRA funds will remain in your account until you terminate employment. You may also use the JRA funds to purchase previously earned service credit at the higher benefit multiplier.

How will the higher benefit multiplier be used?

The benefit formula for justices and judges who are members of:

- Plans 1 and 2 will be raised from 2% to 3.5% per year of service to a maximum benefit of 75% of AFC.
- Plan 3 will be raised from 1% to 1.6% per year of service benefit to a maximum benefit of 37.5 percent.

Will the higher benefit multiplier apply to all my service credit?

No, the higher benefit multiplier will only apply to service credit you earn after you opt out of JRA and begin contributing toward the higher benefit multiplier. You may choose to purchase previous years service as a justice or judge at the new benefit multiplier rate by paying the actuarial cost of the increase to your benefit.

What will the member contribution rate be?

	Supreme Court Justices Court of Appeals Judges Superior Court Judges	District Judges Municipal Judges	Current Member Contribution Rate
Plan 1	Plan 1 rate + 3.75%	Plan 1 rate + 6.26%	6%
Plan 2	250% * Plan 2 rate – 2.5%	250% * Plan 2 rate	.0225
Plan 3	At least 7.5%	At least 7.5%	Minimum 5%

How can I get more information?

More information will be posted periodically to the DRS Web site and in the Retirement Outlook. Also, eligible members will receive individual notification letters from DRS.

* If you have previously been or are currently a member in Plan 1 of the Teachers' Retirement System (TRS), you have the right to participate in the higher benefit multiplier for your judicial service.